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9 August 1949

CW-File
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MEMORANDUM FOR THE FILE:

Ambassador Grady met this morning with Mr. Offie, [] and []

Mr. Offie said the Ambassador had been asked to come in in order that his O.K. on the Albanian Plan could be obtained.

The question of a central office to provide adequate cover for the necessary personnel was discussed, especially whether or not it should be established by a directive from the Ambassador or just come into being. After some discussion on the number of personnel, their relation to other security groups already in Athens, their status with relation to the government departments from which they will be loaned, their needs on housing and transportation and payment of their salaries, it was decided that it would be best for Ambassador Grady to issue a directive to regularize the office. It will be known as the Combined Security Board, will be handled administratively by the Joint Administrative Office in respect to housing and transportation and will be provided office space. [] was asked to draft the directive establishing the CSB.

The Ambassador asked for a memorandum giving the requirements on location, numbers and all requirements. He suggested that members of the CSB bring automobiles as the car pool would probably not be entirely adequate if they needed much transportation.

The Ambassador asked if [] would be connected with the Board and was told [] connection should not be known at all and his visits most infrequent. [] asked that [] be so cautioned in the next message going to him.

[] raised the question of people working for us who are ostensibly in the attache system. Ambassador Grady said that would be quite all right.

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CENTRAL INTELLIGENCE AGENCY
SOURCE METHUEN EXEMPTION 3828
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

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Enclosure #2.

Cover Story

In order to show British-American troops and Naval force to Albanian irregulars and products of the proposed Cyrenaica Training Base, the following method might be employed. A British naval vessel is in fact damaged or sunk by a mine or sabotaged in or near Albanian waters. Impatient with this second example of Albanian irresponsibility, a small force, probably two battalions, of British or American troops is landed on Albanian territory under Naval and Naval Air support to indicate a determined protest while at the same time demanding a United Nations investigation of the sinking.

Albanian patriots, interior irregulars, and BGTIFED forces would, heartened by the representation of British or Americans on the Albanian coast, choose this time to engage in military action against the Albanian government.

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COVER PLAN FOR VALUABLE FIEND

The following broad objectives are set down as a basis for the formulation of cover means in protection of operations valuable and fiend.

General: To deny evidence of British American implication in Valuable Fiend and above all to prevent evidence of implication falling into Pixie or Soviet hands by provision and maintenance of suitable cover, for installations, personnel, and specific acts.

Phase One: Before the beginning of and during early phases of Valuable operations and during phase One of Fiend the following objectives will apply:

- a) To mislead Pixie and Soviet Governments as to the nature of our intentions ^{by affording cover to installations}
^{leading Pixie or Soviet to believe that}
- b) To control the extent of knowledge gained by Greek, Italian, and French Governments.
- c) To provide Greek, Italian, and French Governments with plausible answers in the event of attacks in their press or in their government forums arising from Soviet charges, the exodus of Pixie personnel from their countries, or any other repercussions arising from Valuable Fiend activities.

Phase Two: Following the commencement of Valuable Fiend Recce Ops. and Phase Two of Fiend the following objectives will apply:

- a) To provide US and British authorities with a plausible answer if accused of valuable Fiend in the press or before the United Nations.
- b) To prepare way for ^{formal disposition} in the event Phase Three of Valuable Fiend is to be ^{resorted to}

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- Phase Three:
- a) To maintain cover and security in initial phases of operations.
 - b) To supply British American Governments with answers in event of disaster.
 - c) To prepare way for and justify British American support in the event the operations show promise of success.
 - d) To indicate ^{if politically desirable} such support does not carry with it admission of having planned and organized and prepared operations.

(if determined ~~to~~ at the time to be politically desirable, that

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